



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

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**SUPERCIRCUITS, INC. SENTENCED ON TWO FEDERAL FELONY COUNTS OF
ILLEGAL SALE, POSSESSION, and ADVERTISEMENT OF
ELECTRONIC BUGGING AND WIRETAPPING DEVICES**

(Austin, Texas) The United States Attorney for the Western District of Texas, **Johnny Sutton**, announced today that Texas-based Supercircuits, Inc. was sentenced on two federal felony counts for the illegal sale, possession and advertisement of electronic bugging and wiretapping devices. Supercircuits, Inc. sentence included a \$250,000.00 criminal fine to the United States, forfeiture to the United States of any and all of the illegal devices possessed, and implementation of a program to prevent and detect any future violations of the law by Supercircuits, Inc. management and employees.

“Illegal surreptitious electronic bugging and wiretapping devices are being used to deprive Americans of their right to privacy, to carry out such crimes as drug dealing, corporate espionage, and child pornography. Further, such devices are capable of aiding the commission of terrorist acts. This case serves as a warning to those who knowingly sell, advertise, manufacture, assemble or possess illegal surreptitious electronic bugging and wiretapping devices that we remain committed to prosecuting violators of the law,” stated **United States Attorney Johnny Sutton**.

In June, 1968, the Congress enacted the Omnibus Crime and Safe Streets Act, part of which is commonly referred to as Title III and regulates wiretapping and electronic surveillance. Title 18, United States Code, Section 2512, in pertinent part, prohibits the manufacture, assembly, possession, or sale of any device by any person who knows or has reason to know that (1) the design of such device renders it primarily useful for the purpose of the surreptitious interception of wire, oral or electronic communication and (2) such device or any component thereof has been or will be sent through the mail or transported in interstate or foreign commerce. This statute, among other things, also prohibits any person from placing any advertisement of such devices in newspapers and magazines. Further, the law provides for the seizure and forfeiture of any devices that are in violation of the law. The law contains limited exceptions for law enforcement use. An individual person who is found guilty of a violation of the law can face up to five years imprisonment in a federal prison and a \$250,000 fine. A corporation can face a period of up to five years probation and a fine of not more than the greater of \$500,000 or twice the gross gain or gross loss.

The U.S. Customs Service is committed to enforcing Title III and in 1993 began to investigate a multi-million dollar industry involved in the sale of illegal electronic bugging and wiretapping devices in the United States. Businesses engaged in the illegal sale of

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Supercircuits, Inc. Sentencing

February 28, 2003

Page 2

these devices refer to themselves as "spy shops." They advertise in catalogs and through the internet, describing the devices as "covert" or "spy" electronic devices. The illegal electronic bugging and wiretapping devices possessed, advertised, sold, manufactured and/or assembled come in many forms, but each of the devices has one thing in common: its design renders it primarily useful for the surreptitious interception of the conversations of others.

Such devices include, for example a clock radio, a smoke detector, and a wall clock which while they may be capable of functioning normally as designed, also contain a transmitter that allows conversations to be surreptitiously monitored or recorded from a remote location. Oftentimes the devices also contain a very small camera hidden inside the device which can transmit images to a remote location.

In 1999, U.S. Customs Special Agents discovered that Supercircuits, Inc. was illegally advertising for sale in catalogs, on the telephone, and in a retail store highly sophisticated electronic bugging and wiretapping devices the design of which rendered the devices primarily useful for the surreptitious interception of the conversations of others. For example, Supercircuits, Inc. advertised for sale a Wireless Covert Clock Radio Cam which was designed to secretly intercept the conversations of others for transmission to a remote location. As part of the investigation of Supercircuits, Inc., U.S. Customs Special Agents acting in an undercover role purchased several of these devices. The devices were tested and found to be capable of intercepting oral conversations, as well as, transmitting images.

A search warrant was executed in November, 1999, at the business premises of Supercircuits, Inc in Leander, TX. Over 50 boxes of evidence including actual devices were seized from Supercircuits, Inc. A review of documents reflected numerous sales of the devices to the general public in violation of federal law, Title 18 United States Code, Section 2512. Some 650 plus devices were seized during the investigation. A review of the sales records of Supercircuits, Inc. recovered during the search warrant reflected that hotels, news organizations, private detectives, attorneys, hospitals, schools, and others had purchased such devices. Typically, Supercircuits, Inc. sold the devices for about \$1000.00.

"The use of these devices in a surreptitious manner is illegal and poses a huge privacy issue," said **Vincent Klink, Resident Agent in Charge for U.S. Customs**. "Obviously, there's a need for law enforcement personnel or wire providers to utilize such devices within a lawful approval process," he said. "The public at large may not be aware that possession of such devices is illegal."

Supercircuits, Inc. has relocated to Liberty Hill, TX.

This case was prosecuted by Assistant United States Attorney Sharon Pierce and investigated by U.S. Customs Agent Ted Siggins.

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